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Book review: The palm oil controversy in Southeast Asia: a transnational perspective

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Oliver Pye and Jayati Bhattacharya (eds), *The Palm Oil Controversy in South-east Asia: A Transnational Perspective*. Singapore: ISEAS, 2013, xxi + 283 pp. ISBN 9789814311441. Price: USD 38.90 (paperback).

This collection of 12 chapters and a preface presents a detailed and informative review of the concerns and developments about the rapid growth of palm oil in Southeast Asia. Between 1995 and 2002, palm oil production increased globally by 65 percent. In Indonesia and Malaysia the land planted to produce palm oil doubled to ten million hectares between 1995 and 2005. It is still growing quickly, and in Thailand, the Philippines, Papua New Guinea, as well as Africa and Latin America. As Oliver Pye (p. 2) explains, this rapid growth poses various problems: the loss of habitat for biodiversity and key indicator species such as orangutans; the 'fake solution' to climate change arising from biofuel use, which actually releases emissions through fires, deforestation, and peatland clearance; a variety of social conflicts relating to land claims, labour conditions, and human rights abuses; and a World Bank calculation that the boom in palm oil was accountable for 75 percent of the rise in food prices in the late 2000s by reducing land for food production (p. 3). In turn, palm oil has led to a vigorous environmental campaign against its use in domestic food and cosmetic products; but also a counter campaign by producers to highlight 'attacks from overzealous non-governmental organizations (NGOs)' (p. 3) and to emphasize its benefits on economic growth, and climate change policy through carbon sequestration and methane capture (p. 4). In turn, the Roundtable on Sustainable Palm Oil (RSPO) was created as an arena for stakeholders and certification, but which critics have branded as 'greenwashing' (p. 5).

The book adopts a transnational framework, focusing on 'connected and overlapping but distinct economic, social, and political spaces' (p. 5), which offers opportunities for analysing governance networks and nodes in diverse administrative and interpretative arenas. Accordingly, this book uses this approach to discuss the emerging governance of palm oil through transnational industrial networks; opposition by international NGOs; the migrant workforces; and resulting de-territorialization of national authority (p. 6). For example, two leading companies of Sime Darby and Wilmar International are especially important in controlling the industry in Southeast Asia (p. 7); labour struggles in plantations have a long history going back to colonial times, and resulting in multi-ethnic workforces (p. 9); and

hundreds of NGOs and local groups have joined forces to pressure for a Moratorium on Agrofuel Targets in the European Union (p. 12). This book not only presents valuable information about palm oil, but also contributes to debates about transnational governance and connectivity.

The following chapters expand on these themes. Teoh Cheng Hai (pp. 19-47) focuses on Malaysian corporations as strategic players, pointing out that Indonesia and Malaysia accounted for 88 percent of global production in 2009, and the largest consumers are China and India (with the EU representing just 15.6 percent in 2008) (p. 20). These statistics create strategic challenges for NGOs such as the World Wildlife Fund to investigate the causes of fires in the 1990s, and their German 'Burning forests for margarine' campaign in the 2000s (p. 20). This chapter provides detailed histories of the key trading and plantation companies, and of the financial role played by Singapore in growing the industry (p. 33). The Finnish oil refiner Neste Oil established the world's largest biodiesel plant in Singapore in 2010, producing 800,000 tons per year (p. 34).

Norman Jiwan (pp. 48-75) analyses the political ecology of the industry, in terms of the industry's growth at the expense of appropriation of people's lands often through the doctrine of 'eminent domain' that allows the state to acquire land rights (p. 54). Palm oil expansion therefore reflects state expansion, and numerous acts of state that limit or regulate citizens (for example, the Indonesian Agrarische Besluit of 1870; the Forestry Law 41/1999; and Plantation Act 18/2004) that have 'served to limit or effectively extinguish rights of local communities and indigenous peoples' (p. 55). These laws also connect with international initiatives such as the EU ten percent biofuel target, which stimulated more palm oil expansion (p. 55). The chapter then lists the fires, agrochemicals, and oil effluent (that pollutes waterways) (pp. 60-64); the loss of common land, reduction of livelihood diversification, and additional workloads for women and labour forces that might arise (pp. 65-71).

Middle chapters provide useful case studies of palm oil in specific contexts such as Riau in Sumatra (pp. 76-96); the Philippines (pp. 97-119); Sabah in East Malaysia (pp. 140-63); and West Kalimantan (pp. 164-78).

Later chapters then draw broader lessons. Oliver Pye, again (pp. 179-98) provides a history of transnational environmental campaigning and the roles of key organizations such as the NGOs, WALHI and Sawit Watch; the peasants union, Serikat Petani Indonesia; and the infamous case of

the Musim Mas corporation that dismissed more than one thousand workers who joined the trade union KAHUTINDO and evicted them from their homes in 2006 (p. 184). Pye argues that transnational activists are 'rooted cosmopolitans' that use transnational activism in specific contexts (p. 185). Joana Chiavari (pp. 199-219) critiques EU biofuels policies, saying, 'EU sustainability criteria alone are unlikely to guarantee the sustainable production of biofuels in developing countries' because certification has to relate to all markets' (p. 213). Eric Wakker (pp. 220-43) discusses leveraging product and capital flows to promote sustainability by considering where in trade and value chains to apply pressure, and which actors (governments, NGOs, or businesses) can act. Finally, Patrick Anderson (pp. 244-57) reviews the local Free and Prior Informed Consent as a means of overcoming human rights and equity abuses, but which the Indonesian government has ignored (p. 246).

This is a detailed and informative book that should be read by students and activists interested in palm oil. It brings a structural analysis to environmental activism by analysing palm oil as a segmented and transnational business and topic of environmental concern. It also offers detailed histories and case studies. It should be mentioned that the book adopts an almost universally critical tone towards palm oil, which might worry some readers. But as a fast introduction to this complex and very significant trend, I have seen nothing better.

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